

BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH

FILED
NOV 20 2013
SECRETARY, BOARD OF
OIL, GAS & MINING

IN THE MATTER OF THE REQUEST)
FOR AGENCY ACTION OF)
NEWFIELD PRODUCTION COMPANY)
FOR AN ORDER POOLING ALL)
INTERESTS IN TWO 1,280-ACRE)
DRILLING UNITS ESTABLISHED BY)
THE BOARD'S ORDERS ENTERED IN)
CAUSES NOS. 139-98 AND 139-103 IN)
SECTIONS 15 AND 22, TOWNSHIP 3)
SOUTH, RANGE 2 WEST, U.S.M.,)
DUCHESNE COUNTY, UTAH)

FINDINGS
OF FACT, CONCLUSIONS
OF LAW, AND ORDER

Docket No. 2013-029
Cause No. 139-111

This Cause came on regularly for hearing before John C. Rogers, Associate Director, Oil and Gas, Utah Division of Oil, Gas and Mining (the "Division"), as the Utah Board of Oil, Gas, and Mining's (the "Board") designated Hearing Examiner, on Wednesday, October 16, 2013, at the hour of 1:30 p.m. in the Auditorium of the Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah, and regularly for hearing before the Board on Wednesday, October 23, 2013, at the hour of 9:00 a.m. in the Auditorium of the Department of Natural Resources to consider the Hearing Examiner's Recommended Findings of Fact and Conclusions of Law. The following Board members were present at and participated at the October 23, 2013 hearing: Ruland J. Gill, Jr., Chairman, Kelly L. Payne, Carl F. Kendell, and Michael R. Brown. John R. Baza, Director, was present for the Division at the October 23, 2013 hearing, and Brad Hill, Oil and Gas Permitting Manager; Dustin Doucet, Petroleum Engineer; and Clinton Dworshak, Compliance and Public Outreach Manager, were present for the Division at both hearings. The Hearing Examiner and the Division were represented by Kassidy Wallin, Assistant Attorney General, and Steven F.

Alder, Assistant Attorney General, respectively, at both hearings. At the Hearing Examiner's hearing, the Division expressed its support for granting Newfield's Request for Agency Action filed in this Cause (the "Request").

The petitioner, Newfield Production Company ("Newfield"), was represented by Thomas W. Clawson of Van Cott, Bagley, Cornwall & McCarthy at both hearings, and Robbie Miller, Newfield's Landman, and Mike Jensen, Newfield's Engineering Advisor, testified on behalf of Newfield at the October 16, 2013 hearing. Mr. Jensen was recognized by the Hearing Examiner as an expert reservoir engineer for the purposes of this Cause.

Several possible mineral interest owners in the lands and minerals subject to Newfield's Request and members of the public were also present at the October 16, 2013 hearing, but chose not to participate. Other than Newfield, the Division, and the aforementioned possible mineral interest owners and members of the public, no person or party filed a response to Newfield's Request and no other person or party appeared at or participated in the October 16, 2013, or October 23, 2013 hearings.

At the October 23, 2013 hearing, after considering the designated Hearing Examiner's Recommended Findings of Fact and Conclusions of Law, the Board accepted the Recommended Findings of Fact and Conclusions of Law and approved Newfield's Request to enter an order pooling all of the mineral interests in the Subject Lands (as defined herein) as specified in the Request. The Board's vote to accept the Hearing Examiner's Recommended Findings of Fact and Conclusions of Law and approving Newfield's Request was unanimous.

The Board, having fully considered the designated Hearing Examiner's Recommended Finding of Fact and Conclusion of Law based on the testimony adduced and the exhibits received into evidence at the October 16, 2013 hearing, being fully advised by the Hearing

Examiner, and good cause appearing, hereby makes the following findings of fact, conclusions of law, and order in this Cause:

FINDINGS OF FACT

1. Notices of the time, place, and purposes of the October 16, 2013 hearing and the Board's regularly scheduled October 23, 2013 hearing were mailed to all locatable interested parties by first-class mail, postage prepaid, and were duly published in the Salt Lake Tribune, Deseret Morning News, The Vernal Express, and the Uintah Basin Standard pursuant to the requirements of the Utah Administrative Code ("U.A.C.") Rule R641-106-100. Copies of the Request were mailed to all locatable interested parties pursuant to U.A.C. Rule R641-104-135.

2. Other than Newfield, the Division, and the possible mineral interest owners and members of the public mentioned above herein, no person or party filed a response to Newfield's Request and no other person or party appeared at or participated in the October 16, 2013, or October 23, 2013 hearings.

3. Newfield Production Company is a Texas corporation in good standing, having its principal place of business for its Rocky Mountain operations in Denver, Colorado. Newfield is qualified to do and is doing business in Utah.

4. Under that certain Order entered on December 14, 2012, in Cause No. 139-98, the Board established a special 1,280-acre (or substantial equivalent) drilling unit for the production of oil, gas, and associated hydrocarbons from the Uteland Butte Member of the Lower Green River formation (the "Uteland Butte Spaced Interval") defined as:

[T]he stratigraphic equivalent of the interval from 9,140 feet to 9,292 feet MD as identified on the Dual Laterolog run on February 22, 2012 for the Gilbert 9-9-3-3W Well, located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 9, Township 3 South, Range 3 West, USM.

5. Under that certain Order entered on May 9, 2013, in Cause No. 139-103, the Board established a special 1,280-acre (or substantial equivalent) drilling unit for the production of oil, gas, and associated hydrocarbons from the Upper Wasatch formation (the "Upper Wasatch Spaced Interval") defined as:

[T]he stratigraphic equivalent of the interval from 8,765 feet to 9,967 feet MD as identified on the Dual Induction Log run on March 7, 1972 in the JW Accawinna #1 Well located in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 13, Township 3 South, Range 3 West, USM.

6. Newfield has proposed (or is) drilling the following horizontal wells beneath subject Sections 15 and 22, Township 3 South, Range 2 West, U.S.M. (the "Subject Lands"):

a. Uteland Butte Spaced Interval. Close #4-15-22-3-2WH Well (the "Close Well") whose surface location is located directly north of the Subject Lands in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of adjacent Section 10, Township 3 South, Range 2 West, U.S.M. The Close Well will encounter the top of the Uteland Butte Spaced Interval in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of subject Section 15 and its planned bottomhole location in the Uteland Butte Spaced Interval is in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of subject Section 22; and

b. Upper Wasatch Spaced Interval. Aubrey #2-15-22-3-2WH Well (the "Aubrey Well") whose surface location is located directly north of the Subject Lands in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of adjacent Section 10, Township 3 South, Range 2 West, U.S.M. The Aubrey Well will encounter the top of the Upper Wasatch Spaced Interval in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of subject Section 15 and its planned bottomhole location in the Upper Wasatch Spaced Interval is in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of subject Section 22.

(The Close Well and the Aubrey Well, collectively, are referred to herein as the "Subject Wells.")

7. The minerals in subject Sections 15 and 22 are owned by the Ute Indian Tribe of the Uintah and Ouray Reservation, Ute Distribution Corporation, an Indian allottee, and numerous private (fee) owners as identified in Newfield's Land Exhibits 3-A and 3-B. Newfield and the other working interest owners, Crescent Point Energy U.S. Corp. ("Crescent Point") and Bill Barrett Corporation ("BBC"), have leased 98.056136% of the oil and gas minerals in the Subject Lands. All of such leases provide that the lessee may pool the lease with other leases. Newfield and Crescent Point have executed a joint operating agreement similar in form to the operating agreement admitted into evidence and the record as Newfield's Land Exhibit 6 (the "JOA"), which names Newfield as Operator and voluntarily pools the working interests in the Subject Lands. BBC has agreed to voluntarily participate in the drilling of the Subject Wells. At the time of the Hearing Examiner's hearing, Newfield and BBC were completing the negotiations of a joint operating agreement covering the Subject Lands, among other lands. Also at the time of the hearing, Janice Ann Thor, Anthony Thor, and Judy C. Harringer, each an owner of a 0.130208% mineral interest in Sections 15 and 22, had not leased their mineral interest nor agreed to participate in either Subject Well. Shortly after the October 23, 2013 hearing, however, Janice Ann Thor, Anthony Thor, and Judy C. Harringer did execute and deliver to Newfield leases covering their respective mineral interests, as evidenced by the Landman Affidavit dated November 4, 2013, executed by Robert N. Miller II and filed in this Cause on November 5, 2013. The Landman Affidavit requests that Janice Ann Thor, Anthony Thor, and Judy C. Harringer be recognized as consenting owners and that they not be deemed nonconsenting owners. The Board hereby takes official notice of the Landman Affidavit. The only unleased and uncommitted mineral interests in Sections 15 and 22 are owned by the following parties: Elizabeth O'Neal (0.384616% mineral interest); the heirs/devisees of Eleanor Stein, including without limitation, Andrew Stein

(0.601563% mineral interest); Kenneth Maue (0.520833% mineral interest); A.G. Stanger and Phyllis Stanger, c/o Marsha Stanger (0.030819% mineral interest); and Richard T. Corey, Trustee of the Ira N. Corey Trust (0.015409% mineral interest), all as identified in Newfield's Land Exhibit 3-B.

8. Newfield has conducted a thorough title examination of the mineral ownership in the Subject Lands in an effort to identify and locate the owners of those interests, including Elizabeth O'Neal and the heirs/devisees of Eleanor Stein, including without limitation, Andrew Stein (together, the "Unlocatable Nonconsenting Owners"). Newfield's efforts to locate the Unlocatable Nonconsenting Owners are described in Newfield's Land Exhibit 5-B. Despite Newfield's diligent search, the Unlocatable Nonconsenting Owners cannot be located.

9. Pursuant to the Board's Order issued in this Cause on September 25, 2013, notice personalized to Elizabeth O'Neal and the heirs/devisees of Eleanor Stein, including without limitation, Andrew Stein, was published once a week for two consecutive weeks beginning on September 15, 2013, in the Salt Lake Tribune and Deseret Morning News and for two consecutive weeks beginning on September 17, 2013, and September 18, 2013, in the Uintah Basin Standard and The Vernal Express, respectively (collectively, the "Published Notice"). Newfield filed Proofs of Publication and an Affidavit of Publication regarding the Published Notice on October 15, 2013. The Hearing Examiner took and the Board hereby takes official notice of the Proofs of Publication and the Affidavit of Publication. The Published Notice provided notice to the Unlocatable Nonconsenting Owners of Newfield's Request, the October 16, 2013 Hearing Examiner's hearing, and the Board's October 23, 2013 hearing, as well as apprising each unlocatable owner of its opportunity to lease its oil and gas minerals or to participate as an owner in the drilling of the Close

and Aubrey Wells. The Published Notice also apprised the Unlocatable Nonconsenting Owners of the possibility that the Board may impose up to a 300% penalty on nonconsenting owners.

10. Newfield has made a good faith effort to locate the Unlocatable Nonconsenting Owners. Newfield has in good faith attempted to reach agreement with Kenneth Maue, A.G. Stanger and Phyllis Stanger, c/o Marsha Stanger, and Richard T. Corey, Trustee of the Ira N. Corey Trust, in subject Sections 15 and 22 (collectively, the “Locatable Nonconsenting Owners”) to either lease their interests or obtain agreements for such owners to bear their proportionate share of the costs of the Close and Aubrey Wells.

11. No Unlocatable Nonconsenting Owner and no Locatable Nonconsenting Owner (together, the “Nonconsenting Owners”) filed a response to the Published Notice or the Request or otherwise participated at the October 16, 2013 or October 23, 2013 hearings.

12. Forced pooling of the Nonconsenting Owners’ interests in the applicable drilling units comprising the Subject Lands will promote the public interest, increase ultimate recovery, prevent waste, and protect the correlative rights of all owners.

13. Evidence presented at the hearing, as supplemented by the Landman Affidavit referenced in Finding of Fact No. 7 herein, established that the weighted average landowner’s royalty prescribed by Utah Code Ann. § 40-6-6.5(6)(a) is 18.094824% for the leases affecting the Subject Lands.

14. Newfield’s evidence established that an interest charge of the Prime Rate plus 2% to be imposed on outstanding costs and expenses is reasonable. The “Prime Rate” is defined as the prime rate reported by Wells Fargo Bank in Salt Lake City, or, if Wells Fargo ceases to exist or to report a prime rate, then the Prime Rate shall be the prime rate reported by a comparable bank operating in the State of Utah.

15. Newfield provided testimony that the estimated net plugging and abandoning costs for each Subject Well will be and is \$75,000, based on a 100% working interest ownership. These costs are deemed justified, fair, and reasonable.

16. As provided in Newfield's Engineering Exhibits 1 and 2, respectively, the projected ultimate cost of drilling and completing each Subject Well is as follows: (1) Aubrey #2-15-22-3-2WH Well, \$16,072,664; and (2) Close #4-15-22-3-2WH Well, \$11,447,929, each based on a 100% working interest ownership. These costs are deemed justified, fair, and reasonable.

17. There are no written agreements for the pooling of the Nonconsenting Owners' interests in the drilling units comprising the Subject Lands.

18. The A.A.P.L. Form 610-1989 Model Form Operating Agreement introduced into evidence and admitted to the record at the hearing as Land Exhibit 6 (JOA), is a standard form of operating agreement, which contains fair and reasonable terms and conditions and which are commonly used by Newfield and its partners in the vicinity of the Subject Lands. The JOA contains provisions appropriate to govern the relationship between Newfield, as the Operator of the drilling units comprising the Subject Lands and the Subject Wells, and the Consenting and Nonconsenting Owners to the extent those provisions are not inconsistent with the Board's Order and address issues not expressly addressed in the Board's Order, including, without limitation, a provision providing that overhead costs not otherwise covered by the terms of the COPAS attached to the JOA shall be charged on a fixed rate basis.

19. Newfield's evidence established that the risks and costs of drilling and completing each Subject Well support the imposition of a risk compensation nonconsent penalty of 300%. A 300% nonconsent penalty is just, fair, and appropriate.

20. The Board voted unanimously to accept the Hearing Examiner's Recommended Finding of Fact and Conclusions of Law and to approve Newfield's Request.

CONCLUSIONS OF LAW

1. Due and regular notice of the time, place, and purposes of the October 16, 2013 hearing and the Board's regularly scheduled October 23, 2013 hearing was given to all interested parties in the form and manner and within the time required by law and the rules and regulations of the Board. Due and regular notice of the filing of the Request was given to all interested parties in the form and manner required by law and the rules and regulations of the Board.

2. Pursuant to Sections 40-6-5 and 40-6-6.5 of the Utah Code, the Board has jurisdiction over all of the interested parties and the subject matter of the Request, and has the power and authority to make and issue the order herein set forth.

3. Good cause appears to grant the Request regarding the force pooling of the mineral interests and working interests of the Nonconsenting Owners in the Uteland Butte Spaced Interval and the Upper Wasatch Spaced Interval beneath the Subject Lands, as provided herein.

4. Declaring the Subject Wells as the authorized wells for the drilling and spacing units established within the Subject Lands is just and reasonable under the circumstances.

5. Newfield has sustained its burden of proof, demonstrated good cause, and satisfied all legal requirements for granting the Request.

6. Newfield properly served all mineral interest and working interest owners having legally protected interests, and thereby entitled to notice, by either mailing copies of the Request to those owners or by serving such notice by publication.

7. The Nonconsenting Owners are deemed "nonconsenting owners," as that term is defined in Utah Code Ann. § 40-6-2(11) as relating to the applicable Subject Wells, and are

properly deemed to have refused to agree to bear their respective proportionate share of the costs of drilling and operation of such wells as provided in U.A.C. Rule R649-2-9(1).

8. Newfield, as Operator and on behalf of itself, Crescent Point, and BBC are deemed “consenting owners,” as that term is defined in Utah Code Ann. § 40-6-2(4), as relating to the applicable Subject Wells.

9. The personalized Published Notice to the Unlocatable Nonconsenting Owners is adequate to apprise them of their opportunity to lease their minerals or to participate in the drilling of the Close and Aubrey Wells.

10. Newfield has fully complied with the Board requirements contained in U.A.C. Rule R649-2-9 to make a good faith offer to the Nonconsenting Owners to lease their interests or invite them to participate in the Subject Wells.

11. A 300% risk compensation nonconsent penalty is appropriate for the Subject Wells.

12. The Request and evidence adduced at the October 16, 2013 hearing establish the need for forced pooling upon terms that are just and reasonable.

13. Given the Indian (Tribal and allottee) owned minerals in subject Sections 15 and 22, communitization agreements are required to create proration units in those sections conforming to the Orders in Causes Nos. 139-98 and 139-103. An order force pooling the Nonconsenting Owners’ interests in the drilling units comprising Sections 15 and 22 is required in order for Newfield and the other consenting parties to receive approval of communitization agreements by the appropriate Federal agency pursuant to Federal regulatory guidelines.

14. Pooling the applicable interests of all consenting owners with the Nonconsenting Owners in this Cause will promote the public interest, prevent waste of the oil and

gas resources, maximize the potential for ultimate production of those resources, and protect the correlative rights of all owners to their just and equitable shares of the pools in the Uteland Butte Spaced Interval and Upper Wasatch Spaced Interval.

15. The forced pooling of: (1) Elizabeth O'Neal's; (2) the heirs/devisees of Eleanor Stein's, including Andrew Stein's; (3) Kenneth Maue's; (4) A.G. Stanger's and Phyllis Stanger's; and (5) Richard T. Corey's, Trustee of the Ira N. Corey Trust, interests in the drilling units comprising subject Sections 15 and 22 to the dates of first production for the first Subject Well completed as a producing well in such drilling units, under the terms and conditions set forth in this Order is just and reasonable, and insures all parties will receive their fair and equitable share of production from the Subject Wells.

16. Pursuant to U.A.C. Rule R641-108-204, the Hearing Examiner and the Board may take official notice of the Landman Affidavit and Proofs of Publication and Affidavit of Publication as identified in Findings of Fact Nos. 7 and 9, respectively.

ORDER

Based upon the Request, the testimony and evidence submitted and entered at the Hearing Examiner's October 16, 2013 hearing, and the findings of fact and conclusions of law as stated above, it is therefore ordered that:

1. Newfield's Request seeking forced pooling of the Nonconsenting Owners as identified in Finding of Fact No. 7 herein in the Uteland Butte Spaced Interval and Upper Wasatch Spaced Interval, both as defined herein, beneath the Subject Lands is granted.

2. The Subject Wells as described in Finding of Fact No. 6 herein are hereby designated as the authorized wells for the drilling and spacing units comprising the Subject Lands established by the Orders in Causes No. 139-98 and 139-103 (the "Prior Orders").

3. Elizabeth O'Neal, the heirs/devisees of Eleanor Stein, including without limitation, Andrew Stein, Kenneth Maue, A.C. Stanger and Phyllis Stanger, c/o Marsha Stanger, and Richard T. Corey, Trustee of the Ira N. Corey Trust, are "Nonconsenting Owners" as such term is defined in Section 40-6-2(11) of the Utah Code.

4. Newfield, Crescent Point, and BBC are "Consenting Owners" as that term is defined in Section 40-6-2(4) of the Utah Code.

5. Operations incident to the drilling of a designated unit well upon any part of a drilling unit comprising the Subject Lands established by the Prior Orders shall be deemed for all purposes to be operations upon each separately owned tract in the drilling unit.

6. The portion of production allocated or applicable to a separately owned tract within any drilling unit comprising the Subject Lands established by the Prior Orders shall, when produced, be deemed for all purposes to have been produced from that tract by a well drilled on it.

7. The interests of all parties in this Cause subject to the jurisdiction of the Board, specifically including each Nonconsenting Owner, are pooled effective as of the date of first production for the first Subject Well completed as a producing well in the applicable drilling unit.

8. Each owner of an interest within a drilling unit comprising the Subject Lands shall pay his allocated share of the costs incurred in drilling and operating an applicable Subject Well, including, but not limited to, the costs of drilling, completing, equipping, producing, gathering, transporting, processing, marketing, storage facilities, reasonable charges for administration and supervision of operations, and other costs customarily incurred in the industry, the accounting for which shall be governed by the terms of the JOA.

9. Each Nonconsenting Owner's interest in a Subject Well shall be deemed relinquished to the applicable Consenting Owners in such well during the period of payout for the well as provided in Utah Code Ann. §§ 40-6-6.5(4)(b) and -6.5(8).

10. During such payout period for a Subject Well, the Nonconsenting Owners shall each receive 18.094824% royalty as the landowner's royalty attributable to the drilling and spacing units comprising subject Sections 15 and 22. The landowner's royalty shall be paid to such Nonconsenting Owners until such time as the applicable Nonconsenting Owners' shares of costs, the 300% nonconsent penalty, and applicable interest charges have been fully recouped from the applicable Subject Wells, as provided in Utah Code Ann. § 40-6-6.5 and in this Order.

11. Newfield, as Operator of a Subject Well, shall furnish each Nonconsenting Owner owning an interest in the applicable Subject Well with a monthly statement regarding the Subject Well specifying: (i) the costs incurred; (ii) the quantity of oil or gas produced; and (iii) the amount of oil and gas proceeds realized from the sale of the production during the preceding month.

12. Payout occurs when the Consenting Owners who participate in the costs of drilling and completing a Subject Well in a drilling unit recoup from the Nonconsenting Owners the costs and expenses of drilling and completing each applicable Subject Well, together with the nonconsent penalty and interest, as provided for herein and under Utah Code Ann. § 40-6-6.5(4)(d).

13. The interest rate as permitted by Utah Code Ann. § 40-6-6.5(4)(d)(iii) is set to the prime rate, as set by Wells Fargo Bank in Salt Lake City, plus 2%, or if Wells Fargo Bank ceases to exist or to report a prime rate, then the prime rate shall be the prime rate reported by a comparable bank operating in the State of Utah.

14. Each applicable Nonconsenting Owner shall pay its proportionate share of the net costs of plugging and abandoning each applicable Subject Well, which will be and is \$75,000 per well.

15. In calculating the division of interest for each Nonconsenting Owner, the landowner's royalty shall be proportionately reduced in the ratio that the Nonconsenting Owner's interest bears to (a) the total interest in the tract and (b) further reduced in the ratio that the tract acres bear to the total acreage in the drilling unit.

16. When the applicable Consenting Owners have recovered from the production from a Subject Well the applicable Nonconsenting Owners' share of the costs of locating, drilling, completing and other costs as provided in Utah Code Ann. § 40-6-6.5(4)(d) for the well together with the nonconsent penalty as provided herein, the applicable Nonconsenting Owners' relinquished interest shall automatically revert to it, and the Nonconsenting Owner shall from that time forward own the same interest in the pertinent Subject Well and the production from it, and shall be liable for further costs of operation, as if such owner had participated in the initial drilling and completion operations. Costs of operations after payout attributable to a Nonconsenting Owner shall be paid out of production.

17. Under any circumstances where a Nonconsenting Owner has relinquished its share of production to the applicable Consenting Owners or at any time fails to take its share of production in-kind when it is entitled to do so, the Nonconsenting Owner is entitled to an accounting of the oil and gas proceeds applicable to its relinquished share of production; and payment of the oil and gas proceeds applicable to that share of production not taken in-kind, net of cost.

18. The terms and conditions of the JOA as identified in Finding of Fact 18 herein shall control the relationship of the Consenting Owners and Nonconsenting Owners as to all matters not expressly identified in this Order and to the extent they are not inconsistent with this Order. In the event any of the terms of the JOA shall conflict with the terms of this Order or Utah Code Ann. § 40-6-6.5, the terms of the statute or this Order, as applicable, shall control.

19. Pursuant to U.A.C. Rules R641 and Utah Code Ann. §§ 63G-4-204 to -208, the Board has considered and decided this matter as a formal adjudication.

20. This Findings of Fact, Conclusions of Law, and Order (“Order”) is based exclusively on evidence of record in the adjudicative proceedings or on facts officially noted, and constitutes the signed written order stating the Board’s decision and the reasons for the decision, all as required by the Utah Administrative Procedures Act, Utah Code Ann. § 63G-4-208 and U.A.C. Rule R641-109.

21. Notice re Right to Seek Judicial Review by the Utah Supreme Court or to Request Board Reconsideration: The Board hereby notifies all parties in interest that they have the right to seek judicial review of this final Board Order in this formal adjudication by filing a timely appeal with the Utah Supreme Court within 30 days after the date that this Order is issued. Utah Code Ann. §§ 63G-4-401(3)(a) and -403. As an alternative to seeking immediate judicial review, and not as a prerequisite to seeking judicial review, the Board also hereby notifies parties that they may elect to request that the Board reconsider this Order, which constitutes a final agency action of the Board. Utah Code Ann. § 63G-4-302, entitled “Agency Review—Reconsideration,” provides:

(1)(a) Within 20 days after the date that an order is issued for which review by the agency or by a superior agency under Section 63G-4-301 is unavailable, and if the order would otherwise constitute final agency action, any party may file a written request for reconsideration with the agency, stating the specific grounds upon which relief is requested.

(b) Unless otherwise provided by statute, the filing of the request is not a prerequisite for seeking judicial review of the order.

(2) The request for reconsideration shall be filed with the agency and one copy shall be sent by mail to each party by the person making the request.

(3)(a) The agency head, or a person designated for that purpose, shall issue a written order granting the request or denying the request.

(b) If the agency head or the person designated for that purpose does not issue an order within 20 days after the filing of the request, the request for reconsideration shall be considered to be denied.

Id. The Board also hereby notifies the parties that Utah Administrative Code Rule R641-110-100, which is part of a group of Board rules entitled, "Rehearing and Modification of Existing Orders," states:

Any person affected by a final order or decision of the Board may file a petition for rehearing. Unless otherwise provided, a petition for rehearing must be filed no later than the 10th day of the month following the date of signing of the final order or decision for which the rehearing is sought. A copy of such petition will be served on each other party to the proceeding no later than the 15th day of that month.

Id. See Utah Admin. Code R641-110-200 for the required contents of a petition for rehearing. If there is any conflict between the deadline in Utah Code Ann. § 63G-4-302 and the deadline in Utah Admin. Code R641-110-100 for moving to rehear this matter, the Board hereby rules that the later of the two deadlines shall be available to any party moving to rehear this matter. If the Board later denies a timely petition for rehearing, the party may still seek judicial review of the Order by perfecting a timely appeal with the Utah Supreme Court within 30 days thereafter.

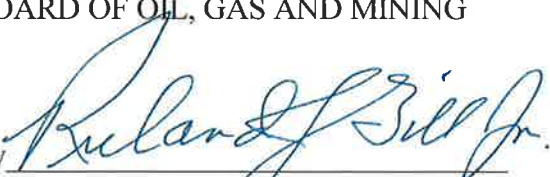
22. The Board retains continuing jurisdiction over all the parties and over the subject matter of this Cause, except to the extent said jurisdiction may be divested by the filing of a timely appeal to seek judicial review of this Order by the Utah Supreme Court.

23. For all purposes, the Chairman's signature on a faxed copy of this Order shall be deemed the equivalent of a signed original.

DATED this 20th day of November, 2013.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING

By



Ruland J. Gill, Jr., Chairman

CERTIFICATE OF MAILING

I hereby certify that on this 20th day of November, 2013, I caused a true and correct copy of the foregoing **FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER** to be served via E-mail or U.S. Mail, properly addressed with postage prepaid, upon each of the following:

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[Undeliverable]

Elaine Mauss
10611 Mills Circle
Houston, TX 77070
[Address updated 9/20/2013]

Elaine Vandam
1232 W. Linda Vista Dr.
West Valley, UT 84119

Ellen Gilbert Goodrich
261 North 7th
Othello, WA 99344

Estates of A.G. and Phyllis Stanger,
Attn: Marsha Stanger
130 Arden Drive
Idaho Falls, ID 83404

Flora Scott
350 S. Main Street
Salt Lake City, UT 84101
[Undeliverable]

Gail Stromek
221 N. Pine Street
Mount Prospect, IL 60056-2438
[Address updated 9/20/2013]

Garn L. Gilbert and Barbara Gilbert
690 South Lemaster Road
Othello, WA 99344

Howard L. Gilbert
580 E 300 N
Roosevelt, UT 84066

Ira N. Corey
195 W. 13th
Idaho Falls, ID 83401
[Undeliverable]

Jack D. Close
4153 Ridge Crest Drive
Las Vegas, NV 89121

Jacqueline Dunigan
8493 Hawthorne Street
Alta Loma, CA 91701

Janis Berry Kenney
5324 Nathaniel Place
Sarasota, FL 34231

Jason Dean and Cassandra Dean
14984 Granite Peake Ave
Fontana, CA 92336

Jeanette George
2400 4th Ave., Apt 307
Seattle, WA 98121

Jeffrey Pitts
3344 E Tall Pine Ln
Cottonwood Heights, UT 84121
[Address updated 10/01/2013]

Jeffrey Reid Hamilton
37 Outlook Circle
Pacifica, CA 94044

Jim Wash Accawinna, Estate of Wechocup,
Edward Box, Agnes Box, Fritz Box, Mary
Box, Marjorie Box, and Ellen Box, Heirs of
John Accawinna
c/o Bureau of Indian Affairs Uintah and Ouray
Agency Allotment No. 687 MUNC 184
PO Box 130
Fort Duchesne, UT 84026

Jimmy Lloyd Dean and Debra Dean
585 West 1700 S
Vernal, UT 84078
[Undeliverable]

Jo Maue, Trustee of the Maue Family Trust
of May 1, 1989
6510 DeLeon Street East
Long Beach, CA 90815

Joanne R. Williams
704 E. Princeton
Ontario, CA 91764

John Pitts
5135 E Marita Ln Apt A
Anaheim, CA 92807-1231
[Address updated 10/01/2013]

Joseph Sam and Francis Sam
102 CR 317
Oxford, MS 38855

Joseph Stein
1402 Spring Way
Berkeley, CA 94708-1815

Joshua Ray Hambleton
5521 S. 2700 W.
Taylorsville, UT 84129

Joyce Aubrey
430 NE Everett
Camas, WA 98607

Julie Ann Paul, heir of Richard and
Geraldine Paull
1431 Three Fountains Drive
Idaho Falls, ID 83404

Julie Paull
1431 Three Fountains Dr.
Idaho Falls, ID 83404

Kathleen Isom
1438 E Anvil Drive
Draper, UT 84020-8832
[Address updated 10/8/2013]

Kathy Louise Hardinger
3415 RR 3
Myton, UT 84052

Katie Rasmussen
167 E 1ST Ave Apt 43
Salt Lake City, UT 84103-5914
[Address updated 10/01/2013]

Kent P. Nelson
858 Walnut Ave
Provo, UT 84604

Kurt Straub
41W072
Elgin, IL 60124
[Undeliverable]

Lailja Leila Ware
3990 NE 107th Court
Bronson, FL 32621

LaRae Poe
68645 Canal Lane
Boardman, OR 97818

LaRaine O'Donnell
P.O. Box 261
Sergeantsville, NJ 08557

Larry K. Gilbert
PO Box 65349
Tacoma, WA 98464
[Undeliverable]

Laura Hauck
1993 W Ranch Road
Farmington, UT 84025
[Address updated 10/01/2013]

Laurie Ann Hardinger Wilson
Rt 3 Box 3615
Myton, UT 84052

LeGrand J. Gilbert and Nancy Gilbert,
Trustees
HC 64 Box 355
Duchesne, UT 84021

LeJeune Dillman
3206 E Old Mill Circle
Salt Lake City, UT 84121
[Address updated 10/01/2013]

Leland M. Mendelson
865 Hayne Road
Hillsborough, CA 94010

Leroy Moulton (Wanda P Moulton estate)
4308 Val Down Ave
West Valley City, Utah 84120

Linda Bussey
4907 Clearwater Drive
Ellicot City, MD 20143

Mandy Brenchley
1297 South Fox Pointe Drive
Kaysville, UT 84037

Marcus Dean and Karen Dean
12773 6600 Road
Montrose, CO 84104
[Undeliverable]

Marilyn Susan Elligson
4116 Church Road
Millers, MD 21102

Marsha R. Stanger
130 Arden Drive
Idaho Falls, ID 83404

Marta A. Courtney
2260 Bartholomews Crossing
Virginia Beach, VA 23456

Mary A. Brown
4556 Suncrest Drive
Salt Lake City, UT 84117

Max and Ruth Groom
285 North 2nd West
Rigby, ID 83442

Melvin D. Close Jr.
2124 Redbird Dr
Las Vegas, NV 89134

Meri Jo McComb, Heir of Dorothy Smith
11048 Hawkwood Drive
Sandy, UT 84094

Michael E. Zeller
135 Newton Road
Woodbridge, CT 06525

Mindy Snow Wennergren
1398 East 900 S
Salt Lake City, UT 84105

Miriam E. Billman
1120 East Davis Dr., Apt D736
Terre Haute, IN 47802

Nancy Fowler
2708 Majestic Ridge Circle
Salt Lake City, UT 84121

Nancy Jones
1423 C Street
Eureka, CA 95501

Noel Leavitt
10043 South Lindsay Wood Lane
Sandy, UT 84092

Patricia A. Close
3736 Mount Crest Drive
Las Vegas, NV 89121
[Undeliverable]

Paul K. Bergen
2406 Hollingbourne Dr
Fort Collins, CO 80526-1255
[Address updated 9/20/2013]

Peter Snow
1529 Catron Southeast Ave
Albuquerque, NM 87123

Richard O. Nelson
7760 Brighton Way
Salt Lake City, UT 84121

Richard M. Thor
4201 Upper Beckleysville Rd.
Hampstead, MD 21074

Robert Hambleton
1635 W. Roger Rd., #21
Tucson, AZ 87505

Ruth Gilbert Murphy
3288 Highland Court
Bountiful, UT 84010
[Undeliverable]

Sally Ware
3093 South Cherise Circle
Salt Lake City, UT 84106

Sherrie Rene Knez and Paul Knez
118 Ervin St.
Craig, CO 81625

OMB Royalties II, LLC
410 17th Street, Suite 1150
Denver, CO 80202

Patricia Fischer
750 Weaver Dairy Road, #2214
Chapel Hill, ND 27514

Paul King
505 Laverne
Aptos, CA 95003

Raymond Glen Gilbert
875 South Taylor Road
Othello, WA 99344

Richard T. Corey, Trustee of the Ira N.
Corey Trust dtd Oct 4, 1991
3241 Bell Canyon Road
Sandy, UT 84092

Richard Y. Thurman
1320 East 500 South, #1405
Salt Lake City, UT 84102

Robert Leachman
14292 Strait St.
Westminster, CA 92683

Ruth Groom
285 North 2nd West
Rigby, ID 83442

Saundra Rasmussen
1371 E. 600 N.
Bountiful, UT 84010

Shirley Andelin Smith
1158 East 640 South
Provo, UT 84601
[Undeliverable]

Shirley Jeanne Crawley
11335 N. 5710 W.
Highland, UT 84033

Sommer Hambleton
5521 S. 2700 W.
Taylorsville, UT 84129

Stephanie Webber
3837 East 22 North
Rigby, ID 83442

Steve Hambleton
5535 S. Hew Wood Dr.
Salt Lake City, UT 84129

Steve Harold Cristensen
8202 Racepoint Dr Unit 104
Huntington Beach, CA 92646
[Address updated 10/01/2013]

Stewart Norman Dennis
PO Box 44
Myton, UT 84052

Sura Thurman
PO Box 31538
Seattle, WA 98103

Susan Christensen
2630 S 256th Street, Apt L303
Kent, WA 98032

Susan Marie Johnston and William
Johnston
779 Taylor St.
Craig, CO 81625

Susan Onnen
4896 Firethorn
Jackson, MI 49201

Thayne Andelin Smith
51 W. Center St
Orem, UT 84507

Theodora Jane Cocagne
1326 E. Castlecrest Dr.
Visalia, CA 93292

Thomas O. Smith, Heir of Dorothy Smith
6363 Mount Logan Way
West Jordan, UT 84084

Toni Andelin Smith
606 W. Cabellero
Mesa, AZ 85201

Ute Distribution Corporation
PO Box 696
Roosevelt, UT 84066

Ute Tribe of Uintah and Ouray Indian
Reservation
PO Box 190
Ft. Duchesne, UT 84026

Walter Douglas Hamilton
3359 Plantation Dr.
Sarasota, FL 34231

Walter Thurman
215 West Park Drive
Raleigh, NC 27605

Wayne C. Close
201 W 1400 S
Orem, UT 84058
[Address updated 10/01/2013]

William A. Elzer
8004 W. Eastwood Avenue
Norridge, IL 60706

Dart Homestead Ranch, Inc.
Attn: Bruce Dart
RT 3 Box 3185
Roosevelt, UT 84066

Anthony Thor
1817 Elevado Avenue
Arcadia, CA 91006

Dr. Richard Paull
Attn: Julie Paull
385 West 13th Street
Idaho Falls, ID 83404
[Undeliverable]

Janice Ann Thor Sloan
PO Box 120820
Big Bear Lake, CA 92315

Judy C. Harringer
326 N. Azusa Avenue
Azusa, CA 91702

Heirs of Walter Gregory Maue Jr.
Attn: Kenneth Maue
PO Box 35901
Syracuse, NY 13235

Bill Barrett Corporation
David Watts
1099 18th Street, #2300
Denver, CO 80202

Newfield Production Company
1001 17th Street, Suite 2000
Denver, CO 80202

Crescent Point Energy U.S. Corp.
555 17th St., Ste 750
Denver, CO 80202-3905
[Undeliverable]

Mary Minty Dirckx
1133 Morningside Drive
Claremont, CA 91711

Hope M. Cocherell
13628 Alcade Street Unit 99
La Puente, CA 91746

Janine Lawrence
PO Box 731031
Puyallup, WA 98373

Elizabeth O'Neal
UNLOCATABLE

Andrew Stein
UNLOCATABLE

Estate of Richard A. Waldsmith & Mrs.
Laura Waldsmith
UNLOCATABLE

